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CENTRAL INTELLIGENCE AGENCY
NATIONAL FOREIGN ASSESSMENT CENTER

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MEMORANDUM

THE ITALIAN CRISIS: SPECULATION ON THE OUTCOME []

Introduction

Italy's political crisis obviously has a long way to run, and any predictions of its outcome are necessarily speculative. Analysis of the power relationships between and within the principal parties, however, brings one point into sharp relief: there is little prospect that the Italian Communists can be denied a significantly larger and more direct governing role. []

(This assessment rests on two key assumptions:

- that the Socialist Party will be unable to resolve the internal differences and other problems that prevent it from joining the Christian Democrats in a non-Communist government, and
- that the crisis is likely to lead to an election which will not appreciably alter relative party strengths. []

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Electoral Stalemate

There is no great enthusiasm for an election among political leaders. The Christian Democrats, however, insist that the 1976 election gave them a mandate to keep the Communists out of government, and they show no sign of yielding to Communist demands for cabinet posts. On the other side, Communist Chief Berlinguer remains convinced that to accept less would leave his party in the same politically exposed position it occupied under Prime Minister Andreotti, when the Communists were pledged to support the government in parliament but had only a consultative role in policy-making. Only the Socialist Party could break this deadlock, by forming a majority with the Christian Democrats--but the Socialists are unwilling to do so if the Communists are left free to criticize from the opposition. These factors make an early election all but inevitable.

Election forecasting is more art than science in Italy, where opinion polls are seldom accurate measures of voter sentiment. And the outcome might be affected by the timing of the contest, i.e., whether it is held before or after the European parliament election on June 10. Most responsible estimates, however--including internal Communist and Christian Democratic evaluations--have the Communist vote falling by a few points--but not below 30 percent--and the Christian Democratic tally rising slightly--but remaining around 40 percent. Estimates on the Socialists vary, although hardly anyone says they would score large gains. The prevailing view is that they would hold their own--9.6 percent in 1976--or gain slightly. Many Socialists, however, fear they would run the risk of a setback.

Of the seven smaller parties who last time took about 13 percent of the vote, the Christian Democrats could not construct a workable alliance with the right- or left-wing extremists who might attract as much as half this vote. It is extremely unlikely that the remaining small parties could win enough to give the Christian Democrats a majority without either Socialist or Communist support.

Thus, a new election will almost certainly confirm the predominance of the two major parties, leaving the Christian Democrats with essentially the same options they have today.

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Divided Socialists

But as the current line-up suggests, the Christian Democrats' basic problem is not arithmetical. It is a political problem which centers on the failure of the Socialists so far to establish themselves as a reliable alternative to the Communist Party. []

The Socialists occupy what seems to be a fatally ambivalent position. Even though they were allied with the Christian Democrats in the national government from 1963 to 1974, they have never been able to break clear of the Communists, with whom they share power in local governments covering about half of Italy's population. To some extent, the ambivalence reflects a fear that too exclusive an association with either major party will lead to the Socialists' absorption or demise. But it also mirrors a deep and historic split in the party between those who view the Communists as their natural allies and those who are willing to work with the Christian Democrats. []

Socialist Chief Craxi is in the latter category. He seemed during the last year to be giving his party new vitality, primarily by rallying Socialists around the one theme on which they could all agree--Socialist "autonomy." He hoped that given enough time, this policy would allow him to broaden the party's electoral appeal, distinguish it more clearly from the Communists, and lay the basis for renewed cooperation with the Christian Democrats. []

But Craxi's efforts had gained no real momentum when Berlinguer broke with the Andreotti government last month. Berlinguer's move deprived Craxi of the time he needed and forced the Socialists once again to choose between the Communists and the Christian Democrats--an agony they were spared by the inclusion of all three parties in Andreotti's parliamentary majority. Since then the divisions in the Socialist Party have resurfaced, and Craxi has been forced to adopt the sort of contradictory stance that has always undermined Socialist credibility--claiming Socialist "autonomy" on the one hand while asserting on the other that the Socialists cannot join any government from which the Communists are excluded. []

Berlinguer has thus already achieved one of his goals in bringing Andreotti down; he has demonstrated how little tangible progress Craxi has made and shown that the Socialists are still a weak reed for the Christian Democrats to lean on. Craxi's hand would be strengthened in

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the highly unlikely event of a sharp rise in the Socialist vote, say to about 14 or 15 percent. Even then, however, the Socialists would almost certainly want some arrangements ensuring that the Communists would share any blame for unpopular government decisions. So when the dust settles, the Christian Democrats will probably still have as their only alternative to Berlinguer a Socialist Party which says it will not enter the government without him. []

Outlook

There are three possible outcomes to the current crisis:

- Communist entry into the government:
- A Communist return to the opposition, or
- A compromise solution that denies the Communists cabinet seats but gives them a substantial and increased voice in policy-making and implementation. []

Assuming that the Christian Democrats retain their plurality in an election, they will almost certainly have done so by relying once again on a tough anti-Communist campaign. They are thus likely to emerge with the same dilemma they have today: needing Communist cooperation but pledged to keep the Communists out of government. And this dilemma is likely to be compounded by deep divisions in the Christian Democratic Party over how far to go in bargaining for Communist support. []

It might appear that the Communists could simply force their way in, using the party's labor muscle and its apparent ability to cause widespread economic disruption. It will not be that easy, however. The Communists are highly skilled at choosing issues to pressure the government, but they must be careful not to throw their weight around in ways that damage their responsible image--one of the main factors behind the Communists' strength and their broad inter-class appeal. []

In fact, these constraints on the Christian Democrats and Communists are likely to give the smaller parties some leverage even if they perform poorly in an election. Thus, the election would not signal an end to political maneuvering. []

The only result that would slice through all these complications--and bring the Communists immediately into the government--would be one

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that featured small-party losses of such magnitude that the Christian Democrats had no arithmetical alternative to coalition with the Communists. However, that would require a greater polarization of the electorate than seems likely at this point. ☐

Political leaders thus will probably find themselves once again in search of a formula that allows the Communist Party to claim it is part of government while the Christian Democrats are claiming it is not. It will be more difficult to find such a formula this year than in 1976, however, because the Communists have been convinced by experience that such mid-stream status poses too many political risks. ☐

(If Berlinguer again agrees to something less than cabinet seats, he will almost certainly insist on strict guarantees that Communist advice be solicited--and be verifiably heeded--on nearly all policies. Such a package might include "technician" ministers associated with the Communist Party, Communist membership on some sort of formal committee charged with managing economic policy, and a precedent-shattering Christian Democratic agreement to form coalitions with the Communists in some key local governments. In short, Berlinguer would have to be able to say--convincingly--that he stood on the verge of cabinet status.) ☐

(Despite their distaste for such an agreement, the Christian Democrats seem likely to see it as the least objectionable path, because the only remaining option--allowing the Communist Party to go into opposition--would in all probability merely lead the Christian Democrats in a circle. They would have to turn for a majority to the Socialists, who would probably be more inclined to follow the Communists into opposition--leaving the Christian Democrats once again at Berlinguer's door.) ☐

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